State of Illinois Office of The Secretary of State

Whiteas application for certificate of authority to transact business'in this state of

NICOLE ENERGY SERVICES, INC.
INCORPORATED UNDER THE LAWS OF THE STATE OF OHIO HAS BEEN FILED IN THE OFFICE OF THE SECRETARY OF STATE AS PROVIDED BY THE BUSINESS CORPORATION ACT OF ILLINOIS, IN FORCE JULY 1, A.D. 1984.

Now Therefore, I, Jesse White, Secretary of State of the State of Illinois, by virtue of the powers vested in me by law, do hereby issue this certificate and attach hereto a copy of the Application of the aforesaid corporation.

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois,

at the City of Springfield, this 22ND
day of OCTOBER A.D. 1999 and of the Independence of the United States the two

hundred and 24TH

Desse White

Secretary of State

UNITED STATES OF AMERICA STATE OF OHIO, OFFICE OF THE SECRETARY OF STATE.

I, J. Kenneth Blackwell, do hereby certify that I am the duly elected, qualified and present acting Secretary of State for the State of Ohio, and as such have custody of the records of Ohio and Foreign corporations; that said records show NICOLE ENERGY SERVICES, INC., an Ohio corporation, Charter No. 1053323, having its principal location in Columbus, County of Franklin, was incorporated on January 6, 1999 and is currently in GOOD STANDING upon the records of thisoffice.



WITNESS my hand and official

Cuneth Blackmels

seal at Columbus, Ohio on

September 20, 1999

J. Kenneth Blackwell Secretary of State

ARTICLES OF INCORPORATION

Attachment B

OF

NICOLE ENERGY SERVICES. INC.

The **undersigned**, who desires to form a **corporation** for profit under Chapter 1701 of the Ohio Revised Code, hereby **certify**:

FIRST. The name of the Corporation shall be Nicole Energy Services, Inc.

SECOND. The place in Ohio where its principal place of business is to be located is the City of Columbus, Franklin County, Ohio.

THIRD. The purpose for which the Corporation is formed is to engage in any **lawful** act or **activity for which corporations may** be formed under Sections 1701.01 to 1701.98, inclusive, of the Ohio Revised Code.

FOURTH. The number of shares which the Corporation is authorized to have outstanding is Seven Hundred Fifty (750) shares of **common** stock with no par **value**.

I have signed these Articles of Incorporation on January 6, 1999.

CHORELAUGIDANISCORP. VPD

John A. Groeber

RECEIVED

JAN 0 6 1990

SECRETARY OF STATE

Docket No. ER98-2683-000

energy transactions as a marketer. Pursuant to authority delegated to the Director, Division of Applications, under 18 C.F.R. 375.308, your submittal is accepted for filing and is designated and made effective as shown below. under which you will engage in wholesale electric power and You submitted for filing with the Commission a rate schedule

Nicole Energy Services

Rate Schedule FERC No. 1 Effective: Date of This Order

conditions provided in the Appendix. Any walvers requested in your application are granted or denied along with the authorizations and subject to the

within the time prescribed by the Secretary. Under 18 C.F.R. 385.214, the filing of a timely motion to intervene makes the movant a party to the proceeding, if no answer in opposition is filed within fifteen days. The filing of a timely notice of intervention makes a State Commission a party to the proceeding. Under 18 C.F.R. 385.210, interventions are timely if made

predicted affecting such rate or service provided for in the filed documents; nor shall such action be deemed as recognition of any claimed contractual right or obligation affecting or relating to such service or rate; and such action is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against the applicant. rate, charge, classification, or any rule, regulation, contract, This action does not constitute approval of any service,

This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the data of issuance of this order, pursuant to 18 CFR 385,713,

Sincerely,

Donald J. Gelinas, Director Division of Rate Applications P. Alexander

> Waivers and Authorizations Under the Commission's Regulations Which are Granted or Denied for Unaffiliated Power Marketers

Waivers and Authorizations Granted/Denied

The following Regulations are waived for power marketers:

- schedules, except for Sections 35.12(a), 35.13(b), 35.15 (which requires a power marketer to file a Notice of Cancellation or Termination when it ceases its marketing activities), and 35.16 (which requires a power marketer to file a notice of succession whenever its name or operational Subparts B and C of Part 35, regarding the filing of
- control is changed).

 Part 41, regarding accounts, records, and memoranda;

 Part 101, regarding the uniform system of accounts; and
- Part 141, regarding statements and reports.

See Citizens Energy Corporation (Citizens Energy), 35 FERC 1 61,198 (1986), Citizens Power and Light Corporation (Citizens P&L), 40 FERC 161,210 (1989), and Enron Power Marketing, inc. (Enron), 65 FERC 161,305 (1993), order on rehearing, 66 FERC 161,305 (1993), order on rehearing, 66 61,244 (1994)

rederal Register establishing a period during which protests may be filed. Absent a request to be heard within the period set forth in the notice, the power marketer is authorized to issue securities and assume obligations or liabilities as guarantor, endorser, surety, or otherwise in respect of any security of another person; provided that such issue or assumption is for in nature and cannot be waived. If a power marketer requests blanket approval under Part 34, a notice will be published in the The requirements of Part 34 of the Commission's Regulations regarding securities and assumptions of liabilities are statutory some lawful object within the corporate purposes, compatible with the public interest, and reasonably necessary or appropriate for purposes. See Cirizens P&L and Enron.

46 of its Regulations regarding interlocking directors are denied. In Enron, the Commission stated that the requirements of part 46 regarding interlocking directors are statutory in nature and may not be waived. Requests that the Commission waive the requirements of Part

Regulations are waived for power marketers. Instead, a person holding or who may hold an otherwise proscribed interlocking directorate involving the power marketer shall file a sworn application providing: (1) full name and business address, and The full requirements of Part 45 of the Commission's

Attachment C1

showing that neither public not private interests will be adversely affected by continued Commission approval of the power marketer's issuances of securities or assumptions of liabilities. or by the continued holding of any affected interlocks. The Commission reserves the right to require a further

activities, in which title to electricity is not taken, must be filed separately as a petition for a declaratory order accompanied by the appropriate filing fee. See Citizens Energy and Heartland Energy Services. Inc., 68 FERC ¶ 61,223 (1994). Requests for disclaimer of jurisdiction over brokering

marketers, under Part 382 of the Commission's Regulations, are denied. See Morgan Stanley Capital Group Inc. (Morgan Stanley I), 69 FERC ¶ 61,175 (1994) and Morgan Stanley Capital Group Inc. (Morgan Stanley II), 72 FERC ¶ 61,082 (1995). Requests that the Commission waive annual charges for power

Requests for a blanket waiver of the 60-day prior notice requirement for rate schedule filings made by a power marketer's suppliers, are denied. See Aquila Power Corporation, 70 FERC 61,021 (1995). However, in Central Hudson Gas & Electric Corporation (1995). However, in Central Hudson Gas & Electric Corporation (1995). However, in Central Hudson Gas & Electric Corporation (1995). However, in Central Hudson Gas & Electric Corporation (1995). However, in Central Hudson Gas & Electric Corporation (1995). And Pilot Requirements under Part II of the Rederal Power Act, Docket No. P193-2-002, 64 FERC 9 61,139 (1993), the Commission explained its policy on waiver of notice for all jurisdictional sellers. Responding to converns that sellers may be unable to file new services 60 days prior to the effective date, the Commission stated that it would grant waiver of the 60 day notice requirement 1) for uncontested filings the commencement of service, or 2) for service agreements under tariffs already on file as long as the service agreements are filed within 30 days after service commences. involving new services that were filed at least one day prior to

the securities of another public utility, are denied. The provisions of Section 203 are statutory in nature and may not be waived. See Resources Recovery [Dade County]. Inc., 20 FERC § 61,138 (1982). Requests for clarification that sales of accounts receivable are not dispositions of jurisdictional facilities and See Enrop. Requests for clarification that the assignment of a power sales contract constitutes a disposition of jurisdictional facilities under Section 203, are granted. See Enrop. Requests for clarification that funds received from the sale of regarding the disposition of jurisdictional facilities, the merger or consolidation of such facilities, or the acquisition of therefore, not within the scope of Section 203, are granted Requests for waiver of the provisions of Section 203

> electricity are not jurisdictional facilities within the meaning of Section 203, are granted. See Citizens Energy. Also, requests for clarification that the requirements of Section 203 requests for clarification that the requirements of that are not apply to the facilities of a power marketer that are not involved in the generation, transmission or sale for resale of electric energy, are granted. See Howell Gas Management Co., FERC ¶ 61,336 (1987). 40

Page 3 of 4 Appendix

purchasers of electricity under market-based rate schedules certify that the purchase price was equal to or less than its avoided cost, are moot. The Commission dropped the requirement in Louisville Gas & Electric Company, 62 FERC ¶ 61,016 (1993). Requests that the Commission waive its requirement that

Reporting Requirements

transaction in which it engaged during the prior quarter: each calendar quarter, Power marketers must provide, within 30 days of the end of the following information for each

- 25 identification of buyer/seller;
- description of the service, e.g., purchase/sale firm/non-firm;
- delivery point (s); price(s)
- 9548 quantities, e.g., MWh/MW; and
- dates of service

See Citizens P&L and Enron.

pending the Commission's completion 00 the generic review of reporting requirements for all public utilities with market-based rates announced in Morgan Stanley I. See Citizens Lehman Power Sales, 1 FERC ¶ 61,149 (1995). Requests for different reporting requirements are denied,

management transactions that result in the actual delivery of electricity, until the Commission issues an order addressing the issue of its jurisdiction over risk management transactions, are granted. Requests to include in the quarterly reports only those risk See Morgan Stanley I.

confidential basis are denied. L.P., 50 FERC ¶ 61,378 (1990). 71 FERC ¶ 61,148 (1995), LG&E_P Requests to file quarterly transaction reports on a idential basis are denied. See National Electric Associates form (61,378 (1990). See also AIG Trading Corporation, 68 PERC (and Enron.

Power marketers must file with the Commission any change in See Citizens P&L, Enron, and Morgan Stanley II.

Attachment C2

in status include departures from the characteristics the consission has relied upon in approving the power marketer's names based pricing, including but not limited to:

- 1) lack of ownership of generation or transmission facilities or other inputs to electric power production other than those identified in the application for market-based rates;
- 2) lack of affiliation with any entity which owns generation or transmission facilities or other inputs to electric power production other than those identified in the application for market-based rates; or
- 3) lack of affiliation with any entity that has a franchised service area.

An lieu of reporting changes on an ongoing basis, are granted.

Lee Morgan Stanley I, as clarified in Engelhard Power Marketing.

Inc., 70 PERC § 61,250 (1995).

Revised 7/29/96

National American Insurance Company

PO Box 9 Chandler, OK 74834

LICENSE AND PERMIT BOND

Attachment D1

, AC	KNOWLEDGMENT	OF PRINCIPAL (Indivi	idual)
State of			Attachment D2
County of	}		
On this	day of	, in the year	before me personally
	me to be the person(s) who (hathe executed the s	is) (are) described in and execut ame.	ted the foregoing instrument,
		Notary F	Public
AC	(NOWLEDGMENT (OF PRINCIPAL (Partne	ership)
State of		•	1,
County of	}}		
· · · · · · · · · · · · · · · · · · ·	day of	, in the year	before me personally
, ,			
•	•	agaribad in and avacuted the for	
	•	escribed in and executed the for e act and deed of the said co-pa	
		Notary P	Public
		,	
ACK	NOWLEDGMENT C	OF PRINCIPAL (Corpo	ration)
State of	_		
ounty of	<u> </u>		
On this	day of	, in the year	before me personally
come(s)	<u> </u>	·	
_	•	that he resides in the City of	
that he is the		againg instrument, that he knows	s the seal of the said corporation;
the seal affixed to the said in		seal: that it was so affixed by the	e order of the Board of Directors
		Notary F	Public
		MENT OF SURETY	
	ACKNOWLEDGI	WENT OF SURETT	
State of Minnesota	_ ₁		
County of <u>Dakota</u>	_}		
On this25th	day of	Januarv , in the year 200	00, before me personally
come(s) Jonathan Pate		Attorne	y(s)-in-Fact of
			ho, being by me duly sworn, says
		,	ational American Insurance Company
t		eal and that it was affixed by or	orate seal of such Company; and order of the Board of Directors of
		ney(s)-in-Fact of the said Compa	
	WANDA LEE ESPE NOTARY PUBLIC-MINNESOTA y Commission Expires Jan. 31, 2005	Notary Pub	assal se
miner		, , ,	

NATIONAL AMERICAN INSURANCE COMPANY OMAHA, NEBRASKA

POWER OF ATTORNEY

OR' "NALS OF THIS POWER OF ATTORNEY ARE PRINTED ON BLUE Y PAPER. DUPLICATES SHALL HAVE THE SAME FORCE AND EFFECT AS AN ORIGINAL ONLY WHEN ISSUED IN CONJUNCTION WITH THE ORIGINAL.

KNOW ALL MEN BY THESE PRESENTS: That the National American Insurance Company, a corporation duly organized under the laws of the State of Nebraska, having its principal office in the city of Chandler, Oklahoma, pursuant to the following resolution, adopted by the Board of Directors of the said Company on the 8th day of July, 1987, to wit:

"Resolved, that any officer of the Company shall have authority to make, execute and deliver a Power of Attorney constituting as Attorney-in-fact, such persons, firms, or corporations as may be selected from time to time.

Resolved that nothing in this Power of Attorney shall be construed as a grant of authority to the attorney(s)-in-fact to sign, execute, acknowledge, deliver or otherwise issue a policy or policies of insurance on behalf of National American Insurance Company.

Be It Further Resolved, that the signature of any officer and the Seal of the Company may be affixed to any such Power of Attorney or any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such powers so executed and certified by facsimile signature and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond and documents relating to such bonds to which it is attached," National American Insurance Company does hereby make, constitute and appoint

Number CBB

PRINCIPAL: NAME, ADDRESS CITY, STATE, ZIP

Nicole Energy Services Corporation 513 E. Rich Street, Suite 306 Columbus, OH 43215

EFFECTIVE DATE

January 25, 2000

CONTRACT AMOUNT

\$30.000.00

BOND AMOUNT

\$30,000.00

Jonathan Pate, Erick Schmidt, or Thomas M. Lahl

its true and lawful attorney(s)-in-fact, with full power and authority hereby conferred in its name, places and stead, to sign, execute, acknowledge and deliver in its behalf, and its act and deed, as

The authority of said Attorney-in-fact to bind the company shall not exceed \$1,000,000 for any single bond.

And to bind National American Insurance Company thereby as fully and to the same extent as if such bonds and documents relating to such bonds were, signed by the duly authorized officer of the National American Insurance Company, and all the acts of said Attorney(s) pursuant to the authority herein given, are hereby ratified and confirmed.

IN WITNESS WHEREOF, the National American Insurance Company has caused these presents to be signed by any officer of the Company and its Corporate Seal to be hereto affixed.

W. Brent LaGere, Chairman & Chef Executive Officer

STATE OF OKLAHOMA) COUNTY OF LINCOLN)

STATE OF OKLAHOMA)

COUNTY OF LINCOLN)

On this 8th day of July, A.D. 1987, before me personally came W. Brent LaGere, to me known, who being by me duly sworn, did depose and say; that he resides in the County of Lincoln, State of Oklahoma; that he is the Chairman and Chief Executive Officer of the National American Insurance Company, the corporation described in and which executed the above instrument; that he knows the seal of said corporation: that the seal affixed to the said instrument is such corporate seal: that it was so affixed by order of the Board of Directors of said corporation and that he signed his name, thereto by like order.

Notary Public

My Commission Expires August 31, 2003

OF ATTORNEY remains in full force.

he undersigned, Assistant Secretary of the National American Insurance Company, A Nebraska Corporation, DO HEREBY CERTIFY that the foregoing and attached LE PICAN INSUR

Signed and Sealed at the City of Chandler.

Dated the 25th

day of January, 2000

Winifred E. Mendenhall, Assistant Secretary

Business Information Report[™]

Page 1 of 5

For: HENRY NICHOLS. CNTRL.
DUN & BRADSTREET INC

May 27. 1999 **9: 53** am

This report should not be reproduced or redistributed

BUSINESS SUMMARY

NICOLE ENERGY SERVICES. INC

DUNS: 88-406-9113

RATING cc4

513 E RICH ST STE 306

AND BRANCH(ES) OR DIVISION(S) COLUMBUS OH 43215

TEL: 614 221-5004

NATURAL GAS
DISTRIBUTION &
PRODUCTION

SIC NO. 4924

STARTED 1989

SALES F \$3,244,812 WORTH \$9,072

EMPLOYS 13(12 HERE) HISTORY CLEAR

FI NANCI AL

CONBITION UNBALANCED

STATEMENT

BATE MAY 31 1998

CHI EF EXECUTI VE: FREBOI E L FULSON, PRES-DI R

CUSTOMER SERVICE

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SUMMARY ANALYSIS

The Summary Analysis section reflects information in D&B's file as of May 24, 1999.

RATING SUMMARY

The Rating was changed on July 18, 1998 to reflect a change in the company's worth. This change placed their worth in a different "Estimated Financial Strength" category. The "CC" portion of the Rating (the Rating Classification) indicates that the company has a worth from \$75,000 to \$125,000. The "4" on the right (Composite Credit Appraisal) indicates an overall "limited" credit appraisal. This credit appraisal was assigned because of D&B's "unbalanced' assessment of the company's May 31, 1998, interim financial statement.

Below is an overview of the company's D&B Rating(s) since 10/29/96:



Service with Integrity and Trust

Attachment E2

October 7, 1999

To Whom It May Concern:

Nicole Energy Marketing, Inc., a Delaware Corporation, is the parent company of Nicole Energy Services, Inc., and would provide security as a financial guarantor for the assets and liabilities of Nicole Energy Services, Inc., its' wholly-owned subsidiary.

Sincerely,

Freddie L. Fulsøn

President

Attachment F1

Resumes of Kev Personnel

Fred Fulson - Corporate Director

Fred L. Fulson is the founder and corporate director for Nicole Energy Services, Inc. (NES). NES was founded in 1989, with headquarters in Columbus, Ohio and district operations in Atlanta, Georgia, Chicago, Illinois, Detroit, Michigan, Pittsburgh, Pennsylvania and New York, New York. Under Fred's leadership, NES now offers energy management services, natural gas and electricity to Fortune 1000 and Fortune 500 companies, major universities and metropolitan cities. Additionally, Fred is the founder and director of Nicole Gas Productions, Ltd., a natural gas production and drilling company.

Fred brings over 28 years of leadership experience in industries such as: energy, manufacturing, computer science, retail food, publishing and human resources. With his skills he has created, developed, and implemented joint venture opportunities with major corporations, while developing solid business partnerships. These partnerships have proven profitable for both NES and its clients.

Previously, Fred was founder and president of **Micronet** Computers and Services, Inc. He also established and managed a training center for small businesses throughout the state of Ohio that provided finance, forecasting, federal/state procurement, public relations, and technological client counseling services. During his career he was recognized as a buyer, manager and sales representative for various Fortune 500 companies.

Fred also serves as a government consultant and lobbyist (Agent #2290). He has three years of study toward a Bachelor of Science degree in Business Administration from Wayne State University.

Bill Waller - Energy Consultant

Bill Waller is an energy consultant for Nicole Energy Services with more than thirty-two years' experience in the energy industry. He has worked as an independent Landman on behalf of various principals, both major and independent, to develop prospects by acquisition of new properties in Oklahoma, Texas, Kansas, and Arkansas.

Bill was formerly the Division Land Manager for Sunoco Energy Development Company where he managed over 700,000 acres for geothermal, uranium, and oil shale exploration and development. From there he moved to CNG Development Company as the Manager of Land and Contracts, managing over 1.5 million acres of oil and gas property. He has also worked for Consolidated Gas and Columbia Gas in senior management positions, Bill now owns and manages his own company, specializing in oil and gas leasing acquisitions, drilling program development, asset acquisitions and property analysis.

Bill holds a BS degree in Business/Pre-Law from the University of Oklahoma, and has also attended Duquesne University, in Pittsburgh, Pennsylvania. He is a member of the Independent Oil and Gas Associations in New York, Ohio, West Virginia and Pennsylvania, and is the former National Director of the American Association of Professional Landmen.

Ron Barnett - Energy Marketing Consultant

Ron Barnett joins Nicole Energy from American Electric Power in Columbus, Ohio. Ron possesses over seven years' experience in the energy industry, most recently as a Marketing Advisor. In this capacity he was responsible for new business development, key accounts and special projects. Prior to that, he was involved in customer service for American Electric Power, managing billing and metering for key accounts. Ron also served as an Energy Management Advisor for off-peak metering programs for AEP, where he managed accounts watching for energy use and energy conservation.

Ron holds a BS degree in Business Administration from Bowling Green State University in Bowling Green Ohio

Ron will serve as the NES point of contact for the Electric division. He is also responsible for buying power and load management.

Attachment F2

Edward Payne - Marketing Manager, Nicole Energy Marketing of Illinois, Inc.

Ed Payne possesses over eight years' sales experience, most recently in natural gas and electric sales. With stellar performance at companies such as Pacific Gas & Electric (PG&E), and Santanna Natural Gas, Ed is now responsible for the company's Illinois market. Ed's sales expertise has resulted in key energy accounts with large volumes that were acquired by developing strong customer relationships. Also included in Ed's background is recruitment, training and budget development.

Ed holds a BS degree in Management from Olivet Nazarene University, Kankakee, Illinois, and an AS from Wilbur Wright College, Chicago, Illinois.

Beth Barnett - Communications Coordinator/ Marketing

Beth Barnett joins Nicole Energy Services with ten years of experience in energy marketing. During her tenure at American Electric Power (AEP), she was promoted to a Senior Marketing Representative where she oversaw promotions, advertising, sales, customer service, and other special projects. She was a sales top achiever in revenue generation for the AEP system, receiving Rookie of the Year honors and top salesperson awards three separate times.

Beth was instrumental in developing an "off-peak" program with AEP, designed to assist customers in meeting their load management needs. While at AEP, she was a member of the Building Industry Association and the Central Ohio Air-Conditioning Association. Beth also developed training programs for AEP Employees and customers to help them understand the cost of electricity. During her service at AEP, she was selected to conduct an account audit for street lighting that brought in over \$250,000 per year in additional revenue that wasn't previously being billed.

Henry Nichols, Sr. -Accounting/Finance Manager

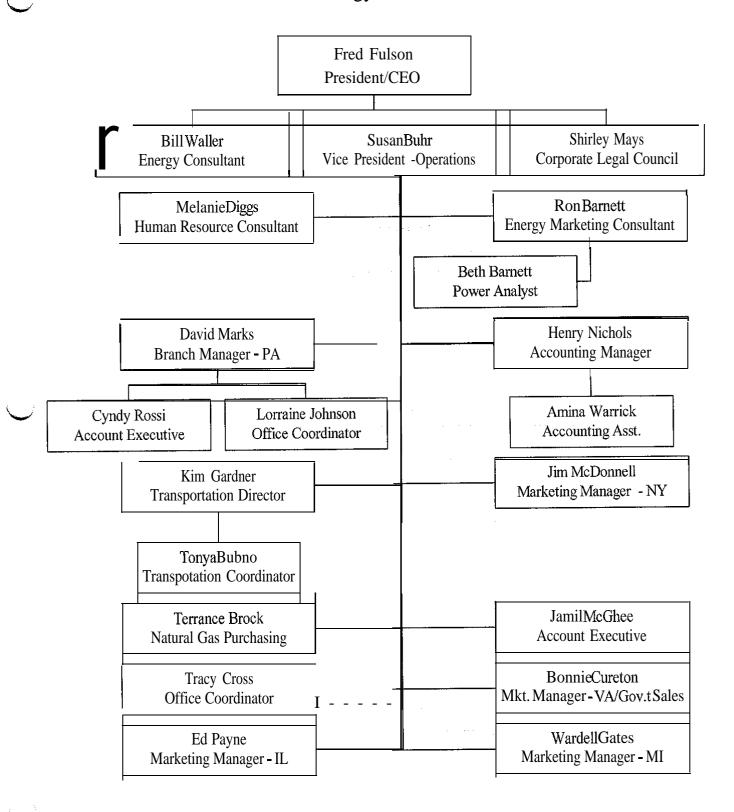
Henry Nichols possesses over 20 years of experience in the Accounting field. He has worked for both large and small firms, supervising both the accounting and payroll functions.

Henry began his accounting career with PPG Industries, working in Craighton, Pennsylvania, Houston, Texas, Eastpoint, Georgia, and Delaware, Ohio. He held a variety of positions in the Accounting departments, managing inventories that exceeded \$35 million

Henry is a Vietnam Era veteran, serving in the US. Army for three years. The majority of his time was spent in Germany as a Fixed Cyphony Repairman, with top secret crypto clearance. He holds a BS degree in Mathematics from Tougaloo College, Tougaloo, Mississippi, and a BS degree in Accounting from Franklin University, Columbus, Ohio.

Attachment G

Nicole Energy Services, Inc.



Verification

State of Ohio
County of Franklin

SS:

	FREDDIE,	L.,	FULSON	, being first duly sworn, depose and say that I am PRESIDENT
of	* N E	E S		that I have read the above and foregoing petition by me subscribed
an	d know the	conte	ents thereof;	that said contents are true in substance and in fact, excepts as to
th	ose matter	s stat	ted upon info	ormation and belief, and as to those, I believe same to be true.

SHIRLEY L. MAYS
NotaryPublic,StateofOhio
My Commission Has No Expiration Dale
R.C.147.03

Signature

Subscribed and sworn to before ma this

day of <u>+ emay</u>, 2000.

otary Public

*NICOLE ENERGY SERVICES, INC.